

Using MasterCard Charge Card and Convenience Checks for Emergency Incident Support

I. PURPOSE

This attachment outlines procedures for the appropriate use of charge cards and convenience checks during emergency incidents. It includes procedures on using both the Bank of America MasterCard charge card and convenience checks. These policies and procedures are critical to assure that a system of internal controls is followed so that the Bureau of Land Management (BLM) can minimize the potential for fraud and abuse.

II. POLICY

Purchases under the micro-purchase threshold (\$2,500) may be made by nonwarranted personnel using their charge card or convenience checks following micro-purchase procedures. Charge card files will be documented with resource orders and other customer requests.

Warranted contracting officers may use the charge card or convenience checks to place orders and/or make payments over the micro-purchase threshold when the supplies or services are under contractual instruments. These instruments include contracts, basic ordering agreements, and Blanket Purchase Agreements (BPAs). The charge card or convenience checks cannot be used as a procurement method for open-market orders exceeding the micro-purchase threshold because mandatory terms and conditions required by various laws must be included.

When used in conjunction with the commercial charge card, the BPA saves time. The Contracting Officer (CO) should establish BPAs with vendors who are used on a recurring basis. This process works best for purchases over the micro-purchase threshold and for meals or lodging. The CO must include the mandatory terms and conditions specified in FAR Part 13.303-3 and the required FAR clauses mandated by statute in all BPAs. In addition, FAR clause 52.232.36, Payment by Third Party, as required under FAR Part 32.1110(d), should be included for any orders or BPA under which the charge card will be used as a method of payment.

The CO usually places call orders when the purchase exceeds the micro-purchase threshold and may also pay BPA vendors with the card. However, if the CO designates others to place orders over \$2,500, the CO must negotiate fixed prices, include the prices for each item in the BPA, and must be the only one authorized to change prices. The CO shall ensure that those who are designated to place orders follow the procedures in FAR 13.303.5 and must review the BPAs at least annually.

III. FIRE TEMPLATE INFORMATION

What is the fire template?

The fire template is a credit card option set designed to allow fire crew chiefs to purchase meals, lodging, supplies, and services for their crew and have all purchases centrally billed.

There are three different fire templates. With the exception of automated teller machine (ATM) cash advances, all items purchased under any of the three fire templates will be centrally billed.

The three templates are:

1. Option Set #03760
Non-warranted personnel
Single Purchase limit - \$2,500
2. Option Set #03761
Personnel with \$10,000 limited warrant
Single Purchase limit - \$10,000
3. Option Set #03762
Warranted personnel with over \$10,000 warrant
No single purchase limit

How is the template assigned?

The local office determines who needs to be assigned to the fire template. Supervisors/ individuals notify the agency program coordinator (APC) of the need to be assigned to the fire template. This may be done as needed or at the beginning of the fire season for fire personnel (e.g., crew chiefs), upon assignment to an incident for single resources, or at the beginning of the field season for cadastral crew chiefs.

The APC contacts Bank of America (BoA) on 1-800-472-1424 and requests the individual be assigned to one of the Fire Option Set Templates (Option #03760, #03761, or #03762). This change may be done in the Electronic Accounts Government Ledger System (EAGLS) and will be effective in 24 hours. If there is a need for immediate access to higher purchase levels, the APC may contact the BoA Customer Service Representative and request an immediate change.

The APC must notify appropriate agency personnel (e.g., administrative staff responsible for travel voucher processing) of individuals who are under the fire template and the effective date(s).

Can the default cost structure be changed?

Supervisors/individuals must notify the APC of the new default cost structure; this can be an incident number. The APC can then change the default cost structure through EAGLS.

Are there any restrictions for use within the fire template?

The crew chief may charge travel expenses for themselves and their entire crew as well as other emergency incident-related purchases to the BoA charge card.

Cardholders must ensure that only authorized expenses are put on the card (meals, lodging, rental car, fuel, etc.). Examples of unauthorized expenses include, but are not limited to, optional insurance for rental cars, hotel movie rental, alcoholic beverages, phone calls, etc.

Phone calls, both business and authorized personal calls, should be made using the Government MCI calling card or a prepaid phone card.

Can a crew chief obtain cash from an atm under the fire template?

Yes. The ATM cash advances will be individually billed, and the crew chief must submit a voucher in order to be reimbursed.

How is the credit card statement reviewed?

Receipts for all centrally billed items must be filed with the BoA cardholder statement of account. Individuals and reviewing officials are responsible for ensuring that travel-related expenses adhere to travel regulations and are within per diem limits. Approval for actual expenses (over per diem) must be obtained and filed with the BoA statement.

Is a travel voucher filed?

The cardholder and crew members must not file a travel voucher if all travel expenses (meals, lodging, rental car, etc.) have been provided by the Government (centrally billed items are considered provided by the Government). The cardholder and crew members must complete a SF-1164, Claim for Reimbursement of Expenditures, and have it approved by the supervisor to claim the \$2 incidentals. The cardholder and crew members may be reimbursed with a convenience check up to a maximum of \$200 for emergency incident support expenses, including the \$2 incidentals reimbursement.

The cardholder and crew members will file a travel voucher for reimbursement of items that are not provided by the Government. For instance, if lodging was provided (centrally billed) but all meals were not (the charge card was not accepted or a cash advance was used), then cardholder and crew members must file a travel voucher for reimbursement of meals as well as the \$2 incidentals reimbursement.

Personnel under the fire template, but who travel as individuals, must file a travel voucher for Meals and Incidental Expenses (M&IE). Hotel charges remain a centrally billed item. This will alleviate the need to switch personnel between templates during the fire season. Individuals, reviewing officials, and others approving travel vouchers must ensure charges and reimbursements are appropriate. For information purposes, the travel voucher must show the daily lodging charges even if lodging charges are centrally billed and therefore not claimed.

IV. MASTERCARD “OFFICE” CHARGE CARD FOR EMERGENCY INCIDENT SUPPORT

The BoA MasterCard Office Charge Card was established to allow dispatch offices to make travel arrangements through a Travel Management Center for personnel on resource orders, including interagency personnel.

The office charge card is assigned to a specific individual (account holder). Only an account number is provided, all items are centrally billed, and standard approval and remote data entry (RDE) procedures apply. The account holder is responsible for ensuring daily and cycle limits are adequate to meet office needs.

The dispatch office is responsible for providing documentation to the account holder for bill reconciliation. Documentation must include, at a minimum, the traveler’s name, the complete charge code, a copy of the resource order, and the ticket amount. State/Field Offices must establish local guidelines to ensure that accounts are reconciled.

V. BOA FLEET DISPATCH CARDS - OPTION SET #03710

The BoA charge cards to be used for fleet dispatch are provided to incident support organizations where non-Government vehicles such as rental trucks are used for incident support. They are in the same option set as regular BLM fleet cards and are subject to the same cycle and single purchase limits of \$2,500 per purchase and \$5,000 per billing cycle. Some vendors have set dollar amount limits such as \$50 for pay at the pump transactions to limit their potential losses. These limits are determined by the fuel vendor and not the credit card company. Fleet dispatch cards have been set up to be centrally billed. Transactions that are initially not approved electronically for any reason, but are manually approved or “forced,” will show up on the statements as individually billed.

Fleet cards may be used for all charges relating to vehicle operation, such as fuel, oil, and emergency repairs. Emergency repairs are those repairs required to get the vehicle back to the office or vehicle owner location, whichever is closer, when authorized by the vehicle owner, including towing. Normally, the rental or lease agreement will detail instructions for handling a disabled vehicle. These instructions usually will require the operator to call the vendor; the vendor will give further instructions for dealing with the emergency and pay costs associated with the emergency. All procedures for tracking charges on fleet cards apply, and all receipts must be reconciled and retained with the statement. Transactions that were forced and appear as individually billed will need to be verified as valid charges and then either moved to centrally billed status or to another account as appropriate. Receipts and statements of account must be filed by account number and year and retained in accordance with BLM records retention requirements.

Cards are embossed with the office code to which they are issued rather than a license number. The cards fall under the hierarchy of the acquisition/travel business line. Therefore, only APCs

in the acquisition/travel hierarchy will be able to access information on these accounts in EAGLS. Fleet cards are set up with the pre-suppression cost center as the default cost code. Charges may be posted to specific incidents by using the RDE process.

VI. USING CONVENIENCE CHECKS FOR EMERGENCY INCIDENT SUPPORT

Convenience checks may be issued to vendors only when the vendor does not accept the charge card. The MasterCard Charge Card is the first choice for making purchases of commercially available goods and services within the cardholder's single purchase limit. Convenience checks are limited to \$2,500 per transaction for nonwarranted personnel and up to \$25,000 per transaction for warranted personnel, dependent upon the warrant limit.

Charge card transactions are considered an electronic payment and, therefore, must comply with the Debt Collection Improvement Act (DCIA). Convenience check transactions, on the other hand, are not considered electronic.

Convenience checks may be written for:

- a. Reimbursements, not to exceed \$200, to employees deployed in emergency incidents who are claiming the \$2 incidentals reimbursement when meals and lodging are furnished by the Government.

- b. Reimbursements to emergency firefighters (casuals, administratively determined, emergency workers) not to exceed \$2,500. Allowable reimbursements include actual expenses for lodging, meals, commercial rental vehicles (when authorized), gasoline for those vehicles, privately owned vehicle mileage, and incidental expenses, which may include supplies or materials. Reimbursement must not be made for wages, vehicles or equipment rented under an EERA, wages, or tickets for commercial transportation. Established BLM policy shall be followed for payment of these items.

Allowable expenses should be claimed on an SF-1164, Claim for Reimbursement for Expenditures on Official Business. Original receipts must be provided for actual expense items (meals, lodging, rental vehicles, supply items, etc.). The SF-1164 and supporting receipts must be retained with charge card and convenience check records.

Convenience checks for emergency incident support may not be written for travel cash advances, travel expenses (except \$2 incidentals), salary payments, cash awards, refunds, travel-related tickets, payments to oneself, Government Bills of Lading, commercial bills of lading exceeding \$100, or personal clothing or footwear (unless it is a commissary order request).

Procurement Buying Teams may not be used as defacto payment teams.

Persons arriving at incidents who have micro-purchase authority must coordinate all purchases with the Finance/Administration Section Chief or Procurement Unit Leader. All purchases made on an incident must be documented and a copy of all transactions must be turned in to the Finance/Administration Section Chief prior to leaving the incident.

Please note that check writers are responsible for adhering to BLM policy regarding check issuance, check completion, responsible check use, completion of 1099s for IRS reporting, and documentation of related Budget Object Codes.

VII. PAYMENT OF EMERGENCY EQUIPMENT RENTAL AGREEMENTS (EERAs)

1. The Accounts Payable Branch, Accounting Operations Division, at the National Business Center (BC-620) will process payments for emergency incidents and small business vendors without delay so that vendors do not have to wait 30 days under the Prompt Payment Act for payment. If the vendor information is contained in the vendor table, it should only take 10 days to process payments through BC-620 and to get a check issued by Treasury and in the vendor's mailbox. A payment processed electronically, i.e., electronic funds transfer to the vendor's bank, may take only 3 days.
2. Contracting officers should review preseason EERAs to determine if there is a likelihood that the equipment will be dispatched and payments will be made; if so, these EERAs should be added to the vendor table if they are not already included. During the active fire season, contracting officers should work closely with their local dispatch officers to ensure that vendor information is included in the vendor table, prior to receiving any invoices for equipment that has been or will be called up, within or outside of the local area.
3. If a vendor needs to be paid in a shorter time than it takes to process a check through BC-620, an invoice may be paid using the charge card, or a convenience check if the vendor does not accept the charge card. Only warranted contracting officers with experience in the incident payment process may make vendor payments against EERAs. If considering a convenience check, the need must be urgent enough that the following waiver from electronic transactions under the Debt Collection Improvement Act (DCIA) can be justified:

“Where an Agency's need for goods and services is of such unusual and compelling urgency that the Government would be seriously injured unless the transaction is processed by other than electronic means.”

This waiver may be needed during long-term incidents when local vendor resources have been drained and funds are immediately needed by vendors or contractors for continual operation.

4. EERA payments made by charge card or convenience checks should be the exception and not used routinely. The charge card or convenience checks should be used only for occasional, urgent needs. If a number of urgent payments are needed or if the workload in an office is such that payments cannot be processed in a timely manner, a payment team should be requested

through the normal dispatch channels. The National Park Service (NPS) has established administrative payment teams under national rotation that can process vendor payments for equipment, supplies, and services. See the National Interagency Mobilization Guide (NFES 2092) for information on dispatch procedures for the NPS Administrative Payment Teams.

Whenever Emergency Equipment Invoices are processed, checks and balances must be in place to ensure proper payment. This is especially critical if charge card/convenience check payments are made by procurement personnel who may not have the level of experience and training in processing payments as voucher examiners and certifying officers. Attending the Incident Contracting Officer training is recommended. Attached are guidelines to be used when processing Emergency Equipment Use Invoices. The Interagency Incident Business Management Handbook, Chapter 20, also provides helpful information.